



[7590-01-P]

NUCLEAR REGULATORY COMMISSION

NRC-2016-0088

Draft Standard Review Plan on Foreign Ownership, Control, or Domination, Revision 1

AGENCY: Nuclear Regulatory Commission.

ACTION: Standard review plan-draft section revision; request for comment.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is soliciting public comment on the Draft Standard Review Plan on Foreign Ownership, Control, or Domination, Revision 1. The Standard Review Plan (SRP) provides guidance and establishes procedures for NRC staff to review the issue of whether an applicant for a nuclear facility license is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government. This SRP will be used as the basis for such reviews in connection with license applications for new facilities, or applications for approval of direct or indirect transfers of facility licenses.

DATES: Comments must be filed no later than **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**. Comments received after this date will be considered if it is practical to do so, but the Commission is able to ensure consideration only for comments received on or before this date.

ADDRESSES: You may submit comments by any of the following methods (unless this document describes a different method for submitting comments on a specific subject):

- **Federal Rulemaking Web Site:** Go to <http://www.regulations.gov> and search for Docket ID **NRC-2016-0088**. Address questions about NRC dockets to Carol Gallagher; telephone: 301-415-3463; e-mail: Carol.Gallagher@nrc.gov. For technical questions, contact the individual listed in the FOR FURTHER INFORMATION CONTACT section of this document.

- **Mail comments to:** Cindy Bladey, Office of Administration, Mail Stop: OWFN-12-H08, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

For additional direction on obtaining information and submitting comments, see “Obtaining Information and Submitting Comments” in the SUPPLEMENTARY INFORMATION section of this document.

FOR FURTHER INFORMATION CONTACT: Shawn W. Harwell, Office of Nuclear Reactor Regulation, telephone: 301-415-1309; e-mail: Shawn.Harwell@nrc.gov, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID **NRC-2016-0088** when contacting the NRC about the availability of information for this action. You may obtain publicly-available information related to this action by any of the following methods:

- **Federal Rulemaking Web Site:** Go to <http://www.regulations.gov> and search for Docket ID **NRC-2016-0088**.

- **NRC’s Agencywide Documents Access and Management System (ADAMS):**

You may obtain publicly-available documents online in the ADAMS Public Documents collection at <http://www.nrc.gov/reading-rm/adams.html>. To begin the search, select “[ADAMS Public Documents](#)” and then select “[Begin Web-based ADAMS Search](#).” For problems with ADAMS, please contact the NRC’s Public Document Room (PDR) reference staff at 1-800-397-4209, 301-415-4737, or by e-mail to pdr.resource@nrc.gov. The Draft Standard Review Plan on Foreign Ownership, Control, or Domination, Revision 1, is available in ADAMS under Accession No. ML16048A025.

- **NRC’s PDR:** You may examine and purchase copies of public documents at the NRC’s PDR, Room O1-F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

B. Submitting Comments

Please include Docket ID **NRC-2016-0088** in your comment submission.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC will post all comment submissions at <http://www.regulations.gov> as well as enter the comment submissions into ADAMS. The NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Discussion

The NRC is issuing this revision to the SRP on Foreign Ownership, Control, or Domination (FOCD), to provide guidance and establish procedures for NRC staff's review of whether an applicant for a nuclear facility license issued under sections 103.d., "Commercial Licenses," or 104.d., "Medical Therapy and Research and Development," of the Atomic Energy Act of 1954, as amended (AEA or Act), is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government (individually or collectively, a foreign entity). Specifically, this revision of the SRP establishes guidance on graded negation action plan (NAP) criteria; provides for the consideration of site-specific criteria, as necessary; allows for the use of license conditions to incorporate NAPs and the staff's "totality of facts" review approach; and incorporates provisions for analyzing foreign financing. This SRP will be used as the basis for the conduct of FOCD reviews associated with license applications for new facilities to be licensed under title 10 of the *Code of Federal Regulations* (10 CFR), parts 50 and 52; applications for the renewal of facility licenses; or applications for approval of direct or indirect transfers of facility licenses.

Where there are co-applicants, each intending to own an interest in a new facility as co-licensees, the reviewer should consider each applicant to determine whether it is owned, controlled, or dominated by a foreign entity. If a co-licensee of an existing facility owns a partial interest in the facility and is transferring that interest, the acquirer should also be considered to determine whether it is owned, controlled, or dominated by a foreign entity.

The FOCD determination is to be made with an orientation toward the common defense and security. The provisions in the AEA for FOCD and inimicality, and the staff's reviews of

these areas under NRC regulations, are derived from the same national security concerns, but appear in separate and distinct language in the AEA. The FOCD provisions in the AEA and NRC regulations are country-neutral, whereas the staff's inimicality review and its findings directly account for a license applicant's country of origin and any ties or interests that could result in a determination of inimicality. As such, while FOCD and inimicality are closely related, this SRP does not address the determination of whether issuance of a license would be inimical to the common defense and security or to the health and safety of the public.

The previous revision of this SRP was approved by the Commission in its staff requirements memorandum on SECY-99-165, "Final Standard Review Plan Regarding Foreign Ownership, Control, or Domination of Applicants for Reactor Licenses," dated August 31, 1999, and published in the *Federal Register* on September 28, 1999. Revision 1 to this SRP has been updated to reflect current NRC regulations and policy.

Dated at Rockville, Maryland, this 19th day of April 2016.

For the Nuclear Regulatory Commission.

William M. Dean, Director
Office of Nuclear Reactor Regulation

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